

# Exhibit 2

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

Wong, et al.,  
individually and on behalf of others  
similarly situated,

Plaintiffs,

v.

HSBC Mortgage Corporation (USA);  
HSBC Bank USA, N.A., et al.,

Defendants.

Case No. 07-2446 MMC

**DECLARATION OF CHERYL DESOUZA**

1. I am a Plaintiff in this action Defendants (hereinafter "HSBC"). I am over the age of 18 and competent to testify about the matters set forth in this declaration.
2. From approximately January 2004 to September, I was employed as a loan officer by HSBC in Franklin Lakes, New Jersey, incl. Bank branches, mortgage office, and home office.
3. During my tenure as a loan officer for HSBC, there were one or more occasion(s) in which HSBC deducted from my paycheck the routine costs of doing business in the mortgage lending industry -- namely, the would-be client's uncollected loan application fee. The deductions were made after I closed a loan but HSBC's underwriting department decided not to fund the loan, causing the loan transaction to fail.
4. HSBC's focus was always urging me to sell as many loans as possible, and waiving the loan application fee initially was a way to help sell the loan. This is the only reason the application fee was initially waived.
5. I neither decided on the value of the application fee, decided to assess an application fee, nor decided that the loans in question should not fund. All of these were HSBC's decisions. I did not and do not believe it is fair that I was forced to pay the loan application fees under these circumstances.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

06/26/08  
Date

  
Cheryl DeSouza

REDACTED

NKA008796

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

Wong, et al.,  
individually and on behalf of others  
similarly situated,

Case No. 07-2446 MMC

Plaintiffs,

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HSBC Mortgage Corporation (USA);  
HSBC Bank USA, N.A., et al.,

Defendants.

**DECLARATION OF PETER MALONE**

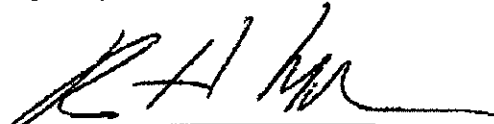
1. I am a Plaintiff in this action Defendants (hereinafter "HSBC"). I am over the age of 18 and competent to testify about the matters set forth in this declaration.
2. From approximately June, 1996 to January 2000, and May 2000 to October, 2005, I was employed as a loan officer by HSBC in Newburgh, Vails Gate, Nyack, and Poughkeepsie, NY, incl. Bank branches, mortgage office, and home office.
3. During my tenure as a loan officer for HSBC, there were one or more occasion(s) in which HSBC deducted from my paycheck the routine costs of doing business in the mortgage lending industry – namely, the would-be client's uncollected loan application fee.
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REDACTED

REDACTED

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6/26/08  
Date

  
Peter Malone

REDACTED

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

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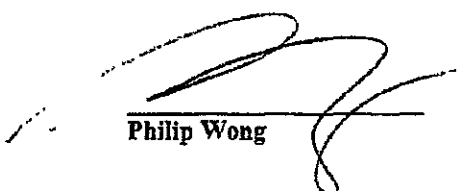
DECLARATION OF PHILIP WONG

1. I am a Plaintiff in this action Defendants (hereinafter "HSBC"). I am over the age of 18 and competent to testify about the matters set forth in this declaration.
2. From approximately December, 2005 to March, 2008, I was employed as a loan officer by HSBC in Oakland, Millbrae, and San Francisco, California, incl. Bank branches, mortgage office, and home office.
3. During my tenure as a loan officer for HSBC, there were one or more occasion(s) in which HSBC deducted from my paycheck the routine costs of doing business in the mortgage lending industry – namely, the would-be client's uncollected loan application fee. The deductions were made after I closed a loan but HSBC's underwriting department decided not to fund the loan, causing the loan transaction to fail.
4. HSBC's focus was always urging me to sell as many loans as possible, and waiving the loan application fee initially was a way to help sell the loan. This is the only reason the application fee was initially waived.
5. I neither decided on the value of the application fee, decided to assess an application fee, nor decided that the loans in question should not fund. All of these were HSBC's decisions. I did not and do not believe it is fair that I was forced to pay the loan application fees under these circumstances.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

June 26, 2008

Date

  
Philip Wong